



**GOVERNMENT OF TELANGANA
ABSTRACT**

Public Services – Treasuries and Accounts Department –Khammam District- Allegation of misappropriation of Government funds in Mandal Primary Health Centre, Julurupadu of Khammam District to a tune of Rs.43,19,403/- Criminal and Disciplinary proceedings against Sri.Mohd.Masluddin, Senior Accountant(Retired)alongwith other accused for passing the bills of the staff of PHC, Julurupadu for excess amount with additional names and falsification of the accounts from April 1990 to September 1996 – Sri. Mohd.Masluddin,SA (Retd) expired on 07.09.2010 – Further action abated under Sub Rule 7(a) under Rule 9 of A.P.Revised Pension Rules, 1980 – Orders – Issued.

FINANCE (ADMN.I) DEPARTMENT

G.O.RT.No. 1045.

**Dated: 28-10-2014
Read the following:**

1. HM & FW Department U.O.Note No.306/HSP/1996, Dt.16.11.96.
2. Govt.MemoNo.43392-A/290/A2/ Admn.I.Vig/1996,Dt.18.11.96.
- 3.DTA Letter No.K4/26430/ 1996, Dt.03.09.1997.
- 4.Additional Director General of Police, CID, A.P., Hyderabad C.No. 2226/C8/C26/CID/98, Dt.19.11.2002.
- 5.G.O.Rt.No.3133,Finance (Admn.I-Vig.) Department,Dt.26.7.2005.
- 6.HM& FW (VC.II(2))Department Memo.No.36630/VC.II(2)/96-63, Dt.15.11.2005.
- 7.DTA Letter No.KII(6)/26340/1996, dt.25-04-2011, 04-02-2012, 16-04-2012, 25-07-2012 & 07-08-2013.

ORDER:

In the reference 1st read above, the HM & FW Department has brought to the notice of Finance Department that a case of large scale of misappropriation of Government money by falsifying various accounts and records on account of which an amount of not less than Rs. 42.00 Lakhs has been misappropriated during the period from June 1990 to September, 1996 at Julurupadu P.H.C., Khammam District and request to follow up the case from Treasury side. Accordingly, the Director of Treasuries and Accounts was directed to submit a report to the Government vide reference 2nd read above. The Director of Treasuries and Accounts vide his letter, Dt.27.01.1997 has instructed the Regional Joint Director to conduct an enquiry on the fraudulent drawals by P.H.C. Julurupadu at ST, Kothagudem. The then Regional Joint Director has submitted his report vide letter No.A1/4161/96, dt.04.04.1997.

2. The Inquiry Officer in his report has stated that an amount of Rs.46,32,629/- were drawn excessively by the P.H.C. Julurupadu from 01.04.1990 to September 1996, at the Sub Treasury, Kothagudem. On verification of the report, it is observed that certain names have been included additionally in the pay bills, claiming the pay D.A., H.R.A., C.A. etc., and additional norms added in the sanction proceedings of F.A. bills. Further the amounts shown in the bill book, agrees with the amounts shown in the office copy of the bills, but not with the amounts shown in the bills presented in the Treasury, passed by the Treasurer at Bank. In the reconciliation of the Departmental figures with treasury figures of P.H.Cs no variations pointed out by the Medical Department. The reconciliation expenditure of P.H.Cs was done from 4/95 to 10/96. On the report of the Regional Joint Director, Region-III, Hyderabad, the Director of Treasuries and Accounts has issued instructions vide his memo,

dt.04.04.1997 to RJD-III to frame charges against the concerned. Departmental proceedings were initiated against the following Treasury personnel.

- 1.Sri M.Vedadri formerly STO.
- 2.Sri, K.Narasimha Rao, STO.
3. Sri Syed Asadullah, STO.
- 4.Sri Mohd Masluddin, SA.
- 5.Sri S.Rajaiah, SA (I/c).
- 6.Sri Mohd Khasim, S.A.,
- 7.Sri K.Prasash Rao, J.A.,
- 8.Sri N.Venkulu, J.A.,
- 9.Sri N.Nagaiah, J.A.,

3. The Charged officers have submitted their explanations stating that the passed bills sent to the Bank were encashed by the Messenger of the Department i.e., by Sri Jagannathan, S.A., P.H.C., Julurupadu, and he received the cash to the extent of passed amounts but accounted for a different (less) amount in Departmental records. The entries were made in column No.10X11 of T.B.R. tampered by the Senior Assistant of Julurupadu by employing some sophisticated advantage by deflating the figures. The D.M. and H.O., Khammam reconciled the figures with treasury figures upto 8/96 and agreed with drawals furnished by the M.O. P.H.C., Julurupadu.

4. Government simultaneously entrusted the case to the CID for investigation. Government, after careful consideration of various documentary evidence and the report of the Additional Director General of Police, Crime Investigation Department, A.P., Hyderabad satisfied and considered that the above said being public servants should be prosecuted in the court of law for the above mentioned offences or any other offences relating to the above offences and in exercise of the powers conferred by the Section 197 Criminal Procedure Code 1973 Act 2 of 1974 read with order issued in G.O.Ms.No.631 Home (Court - B) Department, Dt.30.04.1974. Accordingly, sanctioned permission for prosecution of the accused including Sri. Mohd.Masluddin,SA, (Retd) along with others vide reference 5th read above for the offences punishable under section 120B, 468, 471, 409 and 420 of Indian Penal Code or any other provision of law in respect of the aforesaid Acts, while acting or purporting to act in discharge of official duties and for taking cognizance of the offence by the court of competent jurisdiction.

5. The Health Medical & Family Welfare Department ordered for a common enquiry and entrusted the case to Commissioner of Inquiries (COI) vide reference 6th read above. The common enquiry is under progress. The Additional DGP, CID, in their letter, dt.03.08.2007, has informed that the investigation has been completed and the charge sheets have been filed against the 15 Accused Officers in the Court of Hon'ble 2nd Addl. Judicial First Class Magistrate, Khammam. Out of 15 Accused Officers, the A-1, Dr.B.Tarachand, Medical Officer of Mandal Primary Health Centre died on 09.01.1994 and A-12, Sri. N.Venkulu, Junior Accountant died on 02-06-2006.

6. The Director of Treasuries and Accounts in the reference 7th read above has informed that, Sri.Md.Masluddin, SA O/o Sub Treasury, Madura who was facing disciplinary and criminal proceedings in a case of misappropriation of Govt. funds in MPHC, Julurupadu, Khammam District retired from service on 30-06-2001 and expired on 07-09-2010. Further the said individual has drawn provisional pension till death and that Smt.Faizunnisa Begum W/o Late Md. Masluddin had requested for sanction of family pension and other pensionary benefits due to her husband. Therefore the DTA has requested to issue orders abating the disciplinary and criminal proceedings against Sri Md.Masluddin, SA expired on 07-09-2010 duly recovering Rs.4,000/- as per Sub rule (7) of Rule 9 of APRPRs 1980 and to release the terminal benefits to Smt.Faizunnisa Begum.

7. Government, after careful consideration of the matter hereby abates further action in Criminal and the Disciplinary Proceedings initiated against Sri Mohd.Masluddin,SA (Retd) duly recovering Rs.4,000/- from the terminal benefits under sub rule 7(a) of Rule 9 of A.P.Revised Pension Rules, 1980 as he expired on 07.09.2010.

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8. The Director of Treasuries and Accounts(I/c), Telangana, Hyderabad shall take necessary further action in the matter accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF TELANGANA)

**K. RAMAKRISHNA RAO
SPL. SECRETARY TO GOVERNMENT(IF)**

To
The individual through the Director of Treasuries and Accounts (I/c),
Telangana, Hyderabad.
The Director of Treasuries and Accounts (I/c), Telangana, Hyderabad
The Addl.Director General, CID, A.P., Hyderabad.
Copy to
The Accountant General (A&E), A.P., Hyderabad.
The Deputy Director, District Treasury, Khammam.
SF/SCs.

// FORWARDED BY ORDER //

SECTION OFFICER